

2024-0015-INVI-P — Unreported Outside Employment and Allegations of Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) Fraud

Suspected Violations of the Architect of the Capitol (AOC) "Government Ethics" Policy Substantiated

Suspected Violations of the AOC "Standards of Conduct" Policy and Violations of Title 18 U.S.C. § 1343 Fraud by wire, radio, or television. Not Substantiated

In June of 2023, the AOC Office of Inspector General (OIG) initiated a proactive investigation (2023-0003-INVPRO-P) to review AOC employees' participation in the Small Business Administration's PPP and EIDL program to determine whether the employees who received PPP or EIDL funds were entitled to the funds and were in compliance with AOC policy in receiving the funds, as well as to determine if any AOC employees were victims of identity theft.

That review identified now former AOC employee, Mr. John Coxon, GS-11, Industrial Engineering Technician, Capitol Power Plant, as an individual who allegedly received PPP and EIDL funds and met criteria identified by the AOC OIG for potential fraud. Coxon applied for and received a total of \$34,387.37 in PPP and EIDL loan funds for a personally owned business that were subsequently forgiven or for which repayment was not required.

The OIG's investigation showed that all loan applications were filed with supporting business and tax documentation, funds were used for approved business expenses, and the business existed prior to the COVID-19 pandemic. Coxon's PPP and EIDL applications did not show signs of identity theft. Coxon utilized the AOC's IP address to apply for one of the PPP loans. AOC policy permits de minimis or personal use of AOC IT equipment as long as it involves no or a nominal expense to the government as described within the policy; therefore, the OIG did not pursue an administrative violation for the one identified instance.

The OIG's review of AOC Office of General Counsel records showed that Coxon never completed a "Notice of Outside Employment or Self-Employment Form" with the AOC, as required by policy. The policy defines outside employment as "any compensated activity, including self-employment, resulting in compensation over \$400.00" and Coxon reported between \$20,000.00-\$80,000.00 in wages annually from 2016 through 2023. Coxon retired from the AOC in January of 2024.

Final Management Action: The OIG substantiated that Coxon violated AOC policy. The case is closed.